Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of)
)
Rural Call Completion)
-) WC Docket No. 13-39
)

REPLY COMMENTS OF THE MINNESOTA TELECOM ALLIANCE

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I. INTRODUCTION AND SUMMARY

The Minnesota Telecom Alliance¹ ("MTA") submits these Reply Comments pursuant to the Notice released July 27, 2017 in regard to the Second Further Notice of Proposed Rulemaking released July 14, 2017 (the Notice).² The continuing need for Commission attention to rural call completion is reflected in the Rural Call Act,³ which recently passed the Senate and the House. As further explained below, the MTA supports maintaining the rural call completion reporting requirements in their current form until the Commission adopts the service quality standards for transmission of covered voice communications by intermediate providers (as provided in the Rural Call Act), unless better information can be made available.

The MTA also submits that while there are deficiencies in the current reporting requirements that could well be remedied, the current reporting requirements should not be eliminated unless the Commission adopts other provisions that provide: (1) quality of service standards for individual intermediate carriers; (2) safe harbor or comparable incentives (or express obligations) for covered carriers to limit the number of intermediate carriers involved in the transmission of any individual call; and (3) transparency to rural local exchange carriers (LECs) and rural customers. Further, these reporting requirements and incentives or express obligations should be applicable to all rural areas, including areas served by both rural incumbent LECs and rural competitive LECs.

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¹ The MTA is a trade association representing the interests of 42 small, medium, and large companies that provide advanced telecommunications services, including voice, data, and video to consumers throughout rural, suburban, and urban Minnesota.

² Rural Call Completion, Second Further Notice of Proposed Rulemaking, WC Docket No. 13-39 (Rel. July 14, 2017) ("Notice").

³ Improving Rural Call Quality and Reliability Act of 2017.

II. DISCUSSION

A. The Commission should avoid any rule changes that may inadvertently interfere with its obligations, or the obligations of covered carriers, under the Rural Call Act.

While some believe that the rural call completion issues have either been resolved or require less of attention, the need for continued vigilance by the Commission to rural call completion is clearly reflected in the Rural Call Act. The Rural Call Act contains a number of provisions that are closely related to several of the issues identified in the Notice and addressed in Initial Comments. Specifically, the Rural Call Act:

- 1. Requires the Commission to adopt service quality standards for transmission of covered voice communications by intermediate providers (within one year after enactment);
- 2. Exempts covered carriers that meet the current safe harbor from the intermediate carrier service quality standards; and
- 3. Requires the Commission to establish a publicly available registry of intermediate providers.

Through these requirements, the Rural Call Act builds on existing rules and anticipates the extension of a number of existing requirements into the future.

In light of these requirements, especially the Commission's obligations to adopt service quality standards, the Commission's proposal to reduce the information available (even if far from optimal) that may provide some insights into the use of intermediate providers for rural call completion, without replacing or improving the information available, seems untimely and counterproductive. Similarly, changing the rules to eliminate or substantially change safe harbor incentives and obligations appears blatantly inconsistent with the direction of the Rural Call Act.

B. The Commission should not rely on carrier self-monitoring, which was proven to be completely ineffective in providing reliable call termination in rural areas.

MTA agrees with NTCA/WTA⁴ that reliance on carriers to self-monitor performance standards has proven to be completely ineffective, and that it would be an extreme mistake to rely on a failed mechanism now that significant progress has been made. Further, a return to reliance on carrier self-monitoring seems to be fundamentally inconsistent with the provisions of the Rural Call Act which compel explicit intermediate carrier service quality standards and preservation of safe harbor provisions. These provisions of the Rural Call Act dictate overt monitoring, not the substantially weaker and ineffective return to self-monitoring proposed by the Commission.⁵

History shows that the economic motivation of intermediate carriers outweighed the interest in quality call termination in higher cost rural areas. A return to reliance on the self-interest of carriers to provide quality service was not effective in the past and is unlikely to be effective going forward. Carriers had a greater interest in reducing costs than in providing quality terminations to rural areas, where relatively fewer customers are affected by the quality of making and completing calls. A return to this regime defies common sense and legislative momentum to further reduce rural call completion complaints.

Sprint questions the need for any focus on the effects of intermediate carriers on rural call completion and alleges that any such attention is misplaced.⁶ The Rural Call Act would also

⁴ Joint Comments of the NTCA-The Rural Broadband Association and WTA-Advocates for Rural Broadband, August 28, 2017, at 2-7. Contemporaneously with the implementation of explicit Commission rules regarding recording, retention and reporting, "call completion complaints dropped significantly." *Id.* at 6.

⁵ Notice at ¶¶ 14-15.

⁶ Comments of Sprint Corporation, August 28, 2017 at 2 ("[T]he Commission's focus on covered providers' use of intermediate carriers or the application of performance metrics to intermediate carriers is misplaced.").

spark Sprint's disapproval. While Sprint's assertion that the use of intermediate carriers is not illegal, those carriers have proven to be the clear cause for ongoing rural call completion problems. Further, while access charges are substantially reduced, Sprint has stated that the access charges still provide a strong incentive to avoid (or reduce) payments. To the extent that Sprint is correct in its assessment of incentives for covered carriers, it is clear that ongoing Commission oversight remains necessary, as called for under the Rural Call Act. Further, while Sprint appears to doubt that rural call completion is a matter of any significance, Sprint's stance is fundamentally at odds with the Rural Call Act, and it is clear that rural call completion problems remain.

Eliminating record keeping and returning to sole reliance on self-policing without a replacement mechanism would predictably negate any progress that has been made in reducing rural call completion problems by: (1) eliminating transparency; (2) signaling a lack of an ongoing enforcement capability; (3) signaling a lack of an ongoing interest by the Commission; and (4) eliminating any incentive to limit the number of intermediate carriers. Economic incentives to deliver high quality calling into rural areas were clearly inadequate to maintain reliable call completion. The Sprint comments are a reminder that the incentives to sacrifice rural call quality in order to reduce costs remain strong among some carriers.

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⁷ Sprint Comments at 2-3.

⁸ Sprint Comments at 2. ("The most effective way to resolve a rural call completion problem – assuming *arguendo* that such a problem does indeed exist beyond an isolated, relatively few instances – is to address what the Commission has itself identified as a root cause: uneconomically high terminating rates.").

C. Rural call completion has significantly improved under the current rules, which should remain in effect at least until the Commission adopts service quality standards under the Rural Call Act.

MTA agrees with NTCA/WTA that eliminating the current rules without other action to maintain the current focus on rural call completion would send a signal that this problem was a low priority for the Commission. Such a signal could well be misinterpreted and misused by carriers who could reduce their current efforts which are certainly heavily influenced by the perceived risk of adverse action by the Commission. The Rural Call Act similarly recognizes that the Commission should continue to address rural call completion concerns, calling for service quality standards for intermediate providers and the continued use of Safe Harbor certification under the current or any "successor regulation."

The MTA supports maintaining the rural call completion reporting requirements in their current form until the Commission adopts the service quality standards for transmission of covered voice communications by intermediate providers called for in the Rural Call Act, unless better information can be made available. While some aspects of the reporting requirements could certainly be improved, it would better serve the public interest to revise those requirements rather than abandon them altogether.

The effectiveness and focus of the current reporting requirements could be improved.

However, reducing the level of information available that provides insights into the use of intermediate providers for rural call completion, without replacing or improving the information available, seems untimely and counterproductive. Accordingly, it is appropriate for the current

⁹ NTCA/WTA Comments at 7-8.

¹⁰ Rural Call Act, Section 2, 47 U.S.C. § 262(c)(1)(B). "Not later than 1 year after the date of enactment of this section, the Commission shall promulgate rules to establish service quality standards for the transmission of covered voice communications by intermediate providers."

¹¹ See Rural Call Act, Section 2, 47 U.S.C. § 262(h) (discussing Safe Harbor).

reporting requirements to remain in effect at least until the Commission establishes the service quality requirements for intermediate providers called for in the Rural Call Act. Similarly, changing the rules to eliminate or substantially change Safe Harbor incentives and obligations seems inconsistent with the direction of the Rural Call Act, which calls for preservation of Safe Harbor provisions.

D. The Rural Call Act largely resolves the question of whether the Commission should establish standards for call completion involving intermediate carriers.

The Notice sought comments regarding a proposal to require rural carriers to monitor rural call completion performance by intermediate carriers, ¹² with or without specifying metrics. ¹³ The Rural Call Act sets the direction by requiring the Commission to "promulgate rules to establish service quality standards for the transmission of covered voice communications by intermediate providers" which apply to a covered provider unless the covered provider has "certified as a Safe Harbor provider." The MTA urges the Commission not to get ahead of this important legislation.

As noted by NTCA/WTA, ATIS has established best practices through its Next Generation Interconnection Interoperability Forum ("NGIIF") and released a standard and handbook on intercarrier call completion and call termination ("RCC Handbook"). These steps were taken by ATIS, in recognition of the problem of rural call completion and the risk it poses to the integrity of the public switched telephone network. As noted by NTCA/WTA, the RCC Handbook offers "best practices for ensuring call completion, especially in the management of

¹² Notice at ¶ 14.

¹³ Notice at ¶ 16.

¹⁴ Rural Call Act, Section 2, 47 U.S.C. § 262(c)(1)(B).

¹⁵ Rural Call Act, Section 2, 47 U.S.C. § 262(h)(1).

intermediate or underlying carriers."¹⁶ The RCC Handbook, including the best practices identified in Section 6, "Management of Intermediate Providers" may provide useful guidance to the Commission as it promulgates rules to establish the service quality standards as required under the Rural Call Act.

Limiting the number of intermediate providers is recognized as an effective and tangible step to improve rural call completion, as NTCA/WTA also noted.¹⁷ The Rural Call Act similarly recognizes the effectiveness of limiting the number of intermediate providers in its endorsement of ongoing Safe Harbor certification under which a covered provider certifies that it uses no more than two intermediate providers in connection with the termination of any call.¹⁸ CenturyLink notes that CenturyLink, AT&T, and now Verizon meet safe harbor requirements that limit the use of intermediate carriers (no more than 2 in any given call) under 47 CFR 64.2107(a).¹⁹ MTA supports the Rural Call Act continued use of the Safe Harbor provisions.

MTA also agrees with NTCA/WTA that the limitation of intermediate carriers reduces or eliminates uncertainty as to the sources of problems which may lead to accountability as a powerful incentive to maintain quality.²⁰ These benefits should be preserved in any "successor regulation"²¹ to the current Safe Harbor rules.

¹⁶ Call Termination Handbook, ATIS-0200106 (Oct. 2015) at 1.

¹⁷ NTCA/WTA Comments at 12. "Section 6.2 of the ATIS Handbook recognizes that "as the number of providers handling a call increases, there is the potential for lengthier call setup delay, call failures or other impairments. Troubleshooting may also prove more difficult."

¹⁸ See generally, Rural Call Act, Section 2, 47 U.S.C. § 262(h).

¹⁹ See Comments of CenturyLink, August 28, 2017 at 1.

²⁰ NTCA/WTA Comments at 12-13.

²¹ Rural Call Act, Section 2, 47 U.S.C. § 262(h)(1).

E. Rural call completion regulations and service quality standards should apply with equal force to calls to customers of competitive rural local exchange carriers.

MTA agrees with NTCA/WTA that rural call completion regulations should apply with equal force to calls destined for rural CLEC customers.²² The customer-focused policy considerations underlying concerns with rural call completion are no less applicable to the customers of rural CLECs than to the customers of rural ILECs. NTCA noted that its members have documented an "uptick in calls failing to complete to customers of their rural CLECs."²³ Further, there is no indication in the Rural Call Act that any different standards apply based on whether the customers are ILEC or CLEC customers.

III. CONCLUSION

The MTA appreciates the opportunity to submit these Reply Comments and looks forward to the Commission's implementation of the Rural Call Act.

Respectfully submitted

MINNESOTA TELECOM ALLIANCE

By Brent Christensen

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²² NTCA/WTA Comments at 16-17.

²³ NTCA/WTA Comments at 16.